

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO. 408 OF 1988

The Commissioner of Income-tax,
Bombay City-II, Bombay.

...Applicant

V/s.

M/s.Teksons Ltd.

...Respondent

Dr.P. Deniel for Applicant.

Mrs.S.N. Inamdar for Respondent.

CORAM : V.C. DAGA AND
A.S. AGUIAR, JJ.

DATED : JULY 1, 2005.

P.C. :-

. By this reference under Section 256(1) of the Income-tax Act, 1961, the Income Tax Appellate Tribunal has referred the following question of law for the opinion of this Court :-

"Whether, on the facts and in the circumstances of the case, The Tribunal was right in directing the Inspecting Assistant Commissioner to exclude the value of rent free accommodation from the computation of disallowance out of the salary and perquisites to the Directors where as rent free accommodation is an item to be considered

as a perquisite for the purpose of Section 40A(5) of the Income-tax Act, 1961 ?"

. Learned Counsel for the Revenue fairly states that the above question has already been answered by the Division Bench of this Court in the case of **Commissioner of Income-Tax V/s. Hico Products Pvt.Ltd. (No.1), (1993) 201 ITR Reports 567** against the Revenue. In this view of the matter, the reference stands answered in terms of the Judgment referred to hereinabove in favour of the assessee and against the revenue.

(A.S. AGUIAR, J.)

(V.C. DAGA, J.)